

## Message Text

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ACTION EA-09

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-02 INR-07

L-03 NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15

USIA-15 OMB-01 /068 W

-----103012 050712Z /13

P R 050322Z AUG 77

FM AMEMBASSY KUALA LUMPUR

TO USINFO WASHDC PRIORITY

INFO AMEMBASSY BANGKOK

AMEMBASSY CANBERRA

AMCONSUL HONG KONG

AMEMBASSY JAKARTA

AMEMBASSY MANILA

AMEMBASSY SINGAPORE

AMEMBASSY TOKYO

AMEMBASSY WELLINGTON

SECSTATE WASHDC 8376

UNCLAS SECTION 1 OF 2 KUALA LUMPUR 5122

USIAC

E.O. 11652: N/A

TAGS:

SUBJECT: ASEAN SUMMIT

1. FOLLOWING IS TEXT OF OPENING ADDRESS BY SINGAPORE'S PRIME MINISTER  
LEE KUAN YEW AT THE ASEAN SUMMIT AUGUST 4 AT THE HILTON HOTEL:

2. "IN BALI, 18 MONTHS AGO, ASEAN TOOK A BIG STEP FORWARD. WE  
SIGNED THE TREATY OF AMITY AND COOPERATION IN SOUTHEAST ASIA, THE  
DECLARATION OF ASEAN CONCORD, AND AGREED TO FIVE ASEAN INDUSTRIAL  
PROJECTS AND PREFERENTIAL TRADING ARRANGEMENTS. WE GAVE SUBSTANCE  
TO REGIONAL ECONOMIC COOPERATION. IN KUALA LUMPUR NOW, WE HAVE TO  
DECIDE WHETHER WE MOVE FORWARD, STEP WIDeways, OR MOVE  
BACKWARDS. FOR WE CANNOT STAND STILL.

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3. "THAT ASEAN HAS THE POTENTIAL TO INCREASE STABILITY AND  
ECONOMIC PROGRESS FOR ALL OF US IS RECOGNIZED BY THOSE WHO  
WISH US WELL. OTHERWISE SERIOUS-MINDED PEOPLE IN HIGH OFFICE,  
NOT ONLY IN JAPAN, AUSTRALIA AND NEW ZELAND, BUT ALSO IN  
THE EEC AND AMERICA, WOULD NOT SPEND THEIR TIME AND ENERGY  
CONDUCTING DIALOGUES WITH US, TO DISCOVER HOW TRADE AND

ECONOMIC COOPERATION CAN BE FURTHER DEVELOPED BETWEEN THEM AND US. WEST EUROPEANS WHO HAVE TRAELED THEIR OWN LONG AND ARDUOUS ROAD TO ECONOMIC COOPERATION AND POLITICAL COHESION IN THE EEC, HAVE ACCORDED US CONCESSIONS AS AGROUP. THEY HAVE INDIRECTLY ENCURAGED US TO MAKE MORE PROGRESS TOEGHER, BY AGREEING TO CUMULATIVE RULES OF ORIGIN TO ENABLE PRODUCTS WITH LOCAL CONTENT FROM MORE THAN ONE ASEAN COUNTRY TO QUALIFY FOR PREFERENCE IN THEIR GSP.

4. "ON SUNDAY, WE SHALL TOGETHER DISCUSS WAYS OF INCREASING ECONOMIC COOPERATION WITH THE PRIME MINISTER OF JAPAN. IT CAN BE AN IMPORTANT LANDMARK ON A ROAD THAT COULD TAKE US TO A MUTUALLY PRODUCTIVE RELATIONSHIP. BUT IT COULD JUST AS EASILY BECOME A CEREMONIAL RITUAL ALONG AN INCONSEQUENTIAL ROAD THAT WILL LEAD US NOWHERE. IT DEPENDS UPON WHETHER THE JAPANESE TAKE A LONG-TERM VIEW OF THEIR INTERESTS IN SOUTHEAST ASIA. EQUALLY, IT DEPENDS UPON WHETHER WE IN ASEAN ARE ABLE AND WILLING TO CREATE THE CONDITIONS WHICH WILL MAKE IT ADVANTAGEOUS FOR THE JAPANESE TO EXPAND THEIR PROCESSING AND MANUFACTURING INDUSTRIES IN ASEAN COUNTRIES, TO EASE THE BARRIERS WHICH ARE BLOCKING ASEAN EXPORTS TO JAPAN, AND TO JOIN IN SCHEMES FOR STABILIZING FOREIGN EXCHANGE EARNINGS FROM COMMODITY EXPORTS OF ASEAN COUNTRIES.

5. "THE AUSTRALIAN AND NEW ZEALAND PRIME MINISTERS WILL ALSO JOIN US AFTER OUR MEETING. OUR MEETINGS WITH THEM  
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COULD EVENTUALLY LEAD TO BETTER TRADE AND CLOSER COOPERATION AND UNDERSTANDING BETWEEN THEM AND THE ASEAN COUNTRIES.

6. "IN MANILA NEXT MONTH. THE ASEAN-UNITED STATES DIALOGUE WILL BEGIN. WE HAVE HAD THE ASSURANCE OF THE U.S. SECRETARY OF STATE THAT THE UNITED STATES WOULD WISH THESE TALKS TO FORM THE BASIS FOR STRONGER SUPPORT OF SOUTHEAST ASIAN REGIONAL EFFORTS.

7. "A NEW AMERICAN PRESIDENT AND HIS ADMINISTRATION HAVE SHOWN IN THE LAST SIX MONTHS A DIFFERENT SPIRIT AND APPROACH TO WORLD ISSUES. FOR SOUTHEAST ASIA, THE U.S. SECRETARY OF STATE HAS SPELT OUT SIMPLY THAT AMERICANS SEE THINGS IN TERMS OF THEIR ECONOMIC INTERESTS. THE SECURITY CONSIDERATIONS OF THE LAST TWO DECADES ARE NO LONGER RELEVANT. THEIR ONLY MAJOR STRATEGIC CONSIDERATION IN ASIA IS JAPAN, WITH WHOM AMERICA HAS A MUTUAL SECURITY TREATY. AMERICA CONSIDERS THIS TREATY TO BE A CORNERSTONE OF PEACE IN EAST ASQIA. BUT THIS HAS NOT INHIBITED AMERICAN PLANS FOR THE WITHDRAWAL OF ALL U.S. FORCES IN KOREA IN FIVE YEARS, DESPITE A DISTINCT LACK OF JAPANESE ENTHUSIASM FOR THIS STEP.

8. "IN AN ERA WHEN AMERICANS HAVE SHOWN HOW ALLERGIC THEY ARE TO MILITARY INVOLVEMENT IN ANY PLACE IN THE WORLD WHICH DOES NOT DIRECTLY THREATEN THEIR STRATEGIC INTERESTS, ASEAN, IT HAS BEEN SAID, IS CONSPIRING TO BECOME A MILITARY GROUPING FOR THE ADVANCEMENT OF AMERICAN INTERESTS.

9. "WE SHOULD TAKE IT AS A BACKHANDED COMPLIMENT THAT ASEAN HAS THE BASIC INGREDIENTS FOR SUCCESS. SO EVEN THOSE WHO DO NOT APPROVE OF OUR EFFORTS HAVE NOT FOUND IT POSSIBLE TO IGNORE OUR GETTING TOGETHER, FOR NO ONE WASTES HIS BREATH ON AN ORGANIZATION WHICH IS ON ITS WAY OUT.

10. "PEOPLE WILL TAKE US AS SERIOUSLY AS WE TAKE OURSELVES. OUR ECONOMIC MINISTERS HAVE NOT BEEN ABLE TO RESOLVE THE FIVE  
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ASEAN INDUSTRIAL PROJECTS WHICH WERE AGREED TO IN PRINCIPLE. FOR PREFERENTIAL TRADING ARRANGEMENTS, ONLY 71 ITEMS HAVE BEEN AGREED. SURELY WE CAN DO BETTER THAN THIS.

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ACTION EA-09

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-02 INR-07  
L-03 NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15  
USIA-15 OMB-01 EB-08 /076 W  
-----103170 050720Z /13

P R 050322Z AUG 77  
FM AMEMBASSY KUALA LUMPUR  
TO USINFO WASHDC PRIORITY  
INFO AMEMBASSY BANGKOK  
AMEMBASSY CANBERRA  
AMCONSUL HONG KONG  
AMEMBASSY JAKARTA  
AMEMBASSY MANILA  
AMEMBASSY SINGAPORE  
AMEMBASSY TOKYO  
SECSTATE WASHDC 8377

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11. "WE HAVE TO OVERCOME THE HABIT OF THINKING IN TERMS OF THE PREVIOUS FRAMEWORK OF OUR OWN NATIONAL ECONOMIC PLANS. THEY WERE DRAWN UP IN AN ERA WHEN WE THOUGHT THE AMERICANS AND THE WEST WOULD PROVIDE US WITH THE NECESSARY SECURITY UMBRELLA TO CARRY ON MODERNIZATION AND INDUSTRIALIZATION WITHIN OUR OWN NATIONAL FRONTIERS, SOME KIND OF SEMI-ECONOMIC SELF-SUFFICIENCY THROUGH INDUSTRIALIZATION BY IMPORT SUBSTITUTION. THE WORLD WAS NOT TO BE THUS.

12. "AT THE END OF THIS CONFERENCE, OUR SUCCESS WILL BE JUDGED NOT BY THE SPEECHES MADE, BUT THE AGREEMENTS ON CONCRETE ITEMS, THE BOLTS AND NUTS OF ECONOMIC COOPERATION. TO REACH SUCH AGREEMENTS, WE MUST BE PREPARED TO ASK OUR ECONOMIC ADVISERS TO OVERCOME THE HABIT OF THINKING ONLY OF OUR RESPECTIVE NATIONAL ECONOMIC PLANS.  
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13. "WE HAVE REAL PROBLEMS. LET US FORMULATE REAL SOLUTIONS. ONE REAL SOLUTION IS STRONGER ECONOMIC COOPERATION AND BETTER DEVELOPMENT RATES. THE IMMEDIATE STEP WE CAN TAKE IS TO PRESS ON WITH THE FIVE ASEAN INDUSTRIAL PROJECTS, AND INCREASE THE ITEMS FOR PREFERENTIAL TRADING ARRANGEMENTS.

14. "THERE IS A CLEAR CORRELATION BETWEEN CLOSE TRADE AND ECONOMIC TIES, AND LONG-TERM POLITICAL INTERESTS. IN THE MIDDLE OF THIS YEAR, TO UNDERLINE THEIR LONG-TERM COMMON POLITICAL INTERESTS, THE EEC OF NINE COUNTRIES ABOLISHED ALL TARIFFS ON MOST INDUSTRIAL GOODS BETWEEN THEMSELVES AND THE SEVEN COUNTRIES OF EFTA (EUROPEAN FREE TRADE ASSOCIATION: AUSTRIA, FINLAND, ICELAND, NORWAY, PORTUGAL, SWEDEN AND SWITZERLAND).

15. "THE CLOSER THE ECONOMIC LINKS A COUNTRY HAS WITHAN ECONOMIC GROUPING, THE MORE IT MUST STAY TOGETHER WITH THE FOREIGN POLICIES AND POLITICAL ORIENTATION OF THE GROUP. THE BIG POWERS KNOW THIS. SO TO PRESERVE THEIR NEUTRALITY, FINLAND, SWEDEN AND AUSTRIA HAVE SCRUPULOUSLY STAYED OUT OF ANY ASSOCIATION WITH EEC, ALTHOUGH THEIR INTERESTS ARE INFINITELY MORE WITH THE EEC THAN WITH EASTERN EUROPE.

16. "WE IN ASEAN SHARE VITAL COMMON POLITICAL INTERESTS AND OBJECTIVES. WE WILL NOT ACHIEVE THESE VITAL OBJECTIVES IF WE DO NOT, BESIDES OTHER MEASURES, EXPAND AND STRENGTHEN THE ECONOMIC TIES BETWEEN US. THIS IS WHY WE ARE HERE TODAY."  
ITEM.  
FENHAGEN

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## Message Attributes

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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009